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COUNTRY COOPERATION FRAMEWORKS AND RELATED MATTERS

FIRST REGIONAL COOPERATION FRAMEWORK FOR AFRICA

FIRST REGIONAL COOPERATION FRAMEWORK FOR AFRICA, 1997-2001

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INTRODUCTION

1. The first regional cooperation framework (RCF) for Africa spans the period from 1997 to 2001. It is the outcome of the experience gained and lessons learned from the past and current programmes in Africa as well as of the long process of consultation among development partners, and the priority concerns expressed at various regional and global forums.

2. The formal consultation process started with the mid-term review of the fourth regional programme (1992-1996) in April 1995. In September 1995, the outline and a list of priorities of the conceptual framework paper for the RCF were formulated in close collaboration with development partners. In January 1996, the Conference of African Ministers of Planning and UNDP resident representatives in Africa held in Ouagadougou, endorsed the conceptual framework paper as the broad framework for the formulation of the RCF. The contents were further refined through several internal and external review and appraisal mechanisms: subregional cluster meetings in Malawi in July and Cameroon in September 1996; UNDP Programme Appraisal Committee (PAC) in September 1996; Programme Management Oversight Committee (PMOC) in November 1996; and a series of bilateral discussions held from April to October 1996 with development partners, including sub-Saharan African Governments, intergovernmental organizations (IGOs), the Organization of African Unity (OAU), the Economic Commission for Africa (ECA) and other United Nations agencies, the World Bank, and several national and regional institutions.

3. Throughout the process, a concerted effort has been made to establish close linkages with national and subregional priorities to increase complementarity of programmes in the region. It has also fully embraced the UNDP priority of poverty eradication, employment and sustainable livelihoods, preservation of the environment, social integration, and equal opportunities for women and men.

I. DEVELOPMENT SITUATION FROM A SUSTAINABLE HUMAN DEVELOPMENT PERSPECTIVE

A. Globalization and Africa's development priorities and strategies

4. Over the last decade and a half, increasing globalization, driven by spectacular advances in information and communication technologies, has been transforming the relationships between countries and generating new patterns of social and national stratification based on knowledge and information. Accordingly, new requirements are emerging for countries to establish proper access to information and technology to determine their appropriateness and acquire the capacity to use and maintain them.

5. New global mechanisms are evolving that present Africa with new challenges and opportunities for fuller integration into the global economy. Most recently, the World Trade Organization (WTO) had presented a challenge for each member to find ways to integrate further into the global economy while respecting the imperatives of ecological sustainability and human development.

6. In the political arena, following the end of the cold war, there is a strong worldwide wave of self-assertion based on self-determination, pluralism and democratization. The traditional roles of the State are being increasingly transformed in pursuit of greater transparency, with civil society and individuals playing more active and important roles in decision-making.

7. Several African Governments have attempted major policy and structural reforms since the 1980s. Under such reforms, economic and social decision-making processes are gradually devolving to lower levels of government and to institutions of civil society. At the same time, several major policy reforms and institutional innovations have been gradually established in the region to promote peace and stability. Today, some countries have shown significant promise of human development and growth while others are still searching for the appropriate processes of policy choice and change.

8. Despite accumulated debts, increasing population and unfavourable ecological conditions, the International Monetary Fund (IMF) forecasts that economic growth performance in sub-Saharan Africa will continue to improve in 1996 as a result of the determined implementation of macroeconomic stabilization and structural adjustments in recent years. Nevertheless, overall political and economic conditions remain precarious and fragile. It is particularly important, therefore, to undertake a realistic assessment of the region's prospects to determine the context for necessary policy changes.

9. Over the last five years, Africa's development priorities and strategies have been articulated in various regional and global forums and a consensus has crystallized around the imperative of human-centred development. Of particular significance is the Action Agenda adopted by African Governments as their contribution to the World Summit for Social Development, which focuses on poverty alleviation, employment and income generation, social integration, democratization, human rights, and popular participation. In the Cairo Agenda for Action, African Governments committed themselves to addressing issues of governance, peace and stability, food security, human resource development and capacity-building, resource mobilization and regional economic cooperation. While accepting full responsibility for providing the necessary leadership, promoting the appropriate policies and providing a conducive environment, they called for international understanding and support for these priorities.

B. State of human development in Africa

10. The common perception of Africa is one of a continent in crisis. But it is also a continent of opportunity and promise. It is important to recognize both sides of the African condition to make a realistic assessment of its prospects into the next millennium. The Human Development Report 1996 (HDR) accurately captures this dualism.

11. Over the last 15 years, per capita income in sub-Saharan Africa has been declining at an average rate of about 1 per cent per annum. Today, 32 of the world's 48 least developed countries as well as 34 of the 48 countries in the low human development category of the 1996 HDR are in Africa. Population growth rate is projected to remain at almost 3 per cent into the next century. About

50 per cent of the region's population lives in absolute poverty - a figure that is projected to increase into the beginning of the next decade. With domestic saving and investment ratios the lowest of all developing regions, and external indebtedness twice the gross national income and four times export revenues, it may take two generations for the standard of living experienced 20 years ago to be re-attained in Africa.

12. Health indicators show that while some progress has been made over the last 25 years, the rates of morbidity and mortality are now higher in Africa than in the rest of the world. Health and nutrition standards have deteriorated and the continent is by far the hardest hit by AIDS. Armed conflict has taken a terrible toll on the continent. Africa's 6 million refugees account for half the world's total and there are about 20 million internally displaced persons. Against this background, the challenge of attaining sustainable human development (SHD) in Africa is formidable.

13. There have been some significant successes, however. Between 1960 and 1993, life expectancy at birth in sub-Saharan Africa increased from 40 to 51 years. Between 1970 and 1990, adult literacy more than doubled. From 1960 to 1991, the net enrolment ratio at the primary level increased from 25 per cent to 50 per cent, and at the secondary level from 13 per cent to 38 per cent. The percentage of the population with access to safe water increased from 25 per cent in 1980, to 43 per cent in 1995. Africa has also witnessed significant achievements in the advancement of women: for instance, female literacy rate as a percentage of male literacy rate is over 60 per cent, a higher proportion than in both the Arab States and South Asia.

14. Slowly but steadily spreading political liberalization and an increasingly strong and dynamic civil society are helping to entrench accountable and transparent political systems. Since 1990, 27 multi-party presidential elections have been held - in 21 cases for the first time. Since 1980, opposition parties have been legalized in 31 countries.

15. In the past five years, eight countries have achieved real gross domestic product (GDP) growth rates higher than 4 per cent per annum. Botswana, Mauritius and Uganda are especially noteworthy: they illustrate the possibilities of forging strong linkages between economic growth and human development. As the 1996 HDR argues, these are messages of hope for other African countries.

C. Prospects to the year 2001

16. The context for SHD in Africa over the next five years is likely to remain uncertain. Much will depend, first, on what happens with the processes relating to the agenda for peace and on how continuing political uncertainty in some of the larger economies is resolved. Second, Africa's prospects into the next millennium will depend on how the continent responds to the challenge of globalization by determining the critical areas where changes and adjustments can be made. Third, the challenge of the HIV/AIDS epidemic must be addressed in a determined manner.

17. The ongoing consolidation of peace in Angola, Mozambique and South Africa opens up the distinct possibility of a dynamic growth pole emerging in Southern Africa, with salutary effects on the whole continent. Moreover, African Governments are responding to the continuing challenge of political and economic disequilibria and establishing mechanisms for conflict prevention, mediation and resolution.

18. Subregional cooperation presents a continuing, daunting challenge although there have been significant developments across the region that provide some room for cautious optimism.

19. The new information technology, in changing the nature and substance of competition, opens up vast new opportunities for African countries. For the continent to seize these opportunities, however, new relationships among Governments, the private sector and civil society must be forged. New alliances and institutions must also be developed selectively with external parties.

20. Fortunately, the wave of popular pressure for democratization is helping to pave the way for new alliances. Moreover, while there have been positive and negative impacts of structural adjustment programmes, an important lesson from the economic reforms over the past decade and a half is the realization that the State and the market have to be perceived as complementary vehicles for socio-economic transformation.

21. The challenges facing Africa over the next quinquennium underline the urgency of establishing peace and good governance; strengthening development management capacities; recapturing its comparative advantages and creating new international competitiveness; asserting its own development agenda; and negotiating the framework of external assistance.

II. RESULTS AND LESSONS OF PAST COOPERATION

22. The fourth intercountry programme for Africa, approved by the Governing Council in May 1992, was based on the strategies and policies of the Governments of the region as well as on UNDP global priorities. Cooperation was targeted at building the capacity of regional, subregional and national institutions dealing with common issues, with special emphasis on enhancing human development. The strategy was to focus on a cluster of mutually reinforcing activities to support genuinely regional priorities.

23. Although the three subprogrammes (regional cooperation and integration; long-term strategic planning; and fostering human development) were defined quite broadly, some projects did not appear to have an obvious and direct link to the programme area. This was in part because most programmes were carry-overs from the preceding cycle.

24. The programme drastically reduced the number of projects compared to previous cycles and brought together major partners on several large projects/programmes. To some extent, it played a role beyond a mere source of funds and served as an important link between global, regional and national priorities.

25. The critical objectives were: (a) some harmonization of the IGO activities; (b) considerable progress in the operationalization of the treaty for the establishment of the African Economic Community (AEC); (c) a higher level of intra-African cooperation in some key sectors; (d) a strong information base and strengthened capacity to articulate policy options; and (e) increased participation of various stakeholders in programme and policy processes. While the programme did not succeed in all the areas, it achieved some notable results in many of them.

26. The expectation of a significant reduction of the IGOs and harmonization of their activities was overambitious. Important as the regional programme may be, it cannot be a substitute for national commitments to make policy decisions and take appropriate actions. Its assistance to the OAU has been critical and progress towards the operationalization of AEC has been made, although much remains to be done. The success of projects such as the Common Market for East and Southern Africa (COMESA) Trade Development and Promotion suggests that it is more effective to aim for impact at the sectoral level and concentrate on playing a catalytic role.

27. Some key interventions have had significant impact on enhancing the development management capacity of African countries to formulate and manage development strategies and policies. However, a strong information base for policy in the region is yet to evolve. The main lessons learned are that: (a) demand-driven programmes elicit considerable interest and commitment from participating countries; (b) the participatory process can be broadened to include all the stakeholders, including a wide range of civil society organizations; and (c) changing the orientation of countries from short-term crisis management to more long-term strategizing is difficult but achievable.

28. The regional programme made considerable progress in promoting the private sector and in improving relations between businesses and Governments. Some efforts have also been made to mainstream gender issues in programme activities. Furthermore, the HIV/AIDS programme helped raise awareness, launch networks, examine ethical and legal issues, and develop national assessment capacities and appropriate policy and programme responses.

29. An evaluation of the Onchocerciasis Control Programme attributed its success to clear objectives, a realistic time-frame, long-term commitment of stakeholders, choice of appropriate technology, strong management, and free information flow among participating bodies.

30. Participating Governments and UNDP country offices were fully involved in the management of the programme. There is, however, some room for improvement. Some concern has been expressed that the length of time between initial consultation and the distribution of final project documents for comments to the country offices has created the perception that they are not fully involved in the process. Some feel, too, that the regional programme represents an additional burden for activities over which they exercise no control. This tension must be addressed creatively by improved information flow and by defining clearly the role of the Principal Project Resident Representative (PPRR) and delegating authority from the project formulation stage.

31. Few regional projects have direct linkage with national projects but in some cases, effective commitment by the country office at programme inception has increased the degree of participation and the sense of ownership during implementation. Countries should be encouraged to set aside specific percentages of their target for resource allocation from the core (TRAC) resources to facilitate linkage with intercountry efforts.

III. PROPOSED STRATEGY AND THEMATIC AREAS

A. Strategic framework

32. The starting point for the RCF is how UNDP can position itself in the most effective, catalytic and supportive role to address Africa's development problems.

33. The process answer to this question was provided by the mid-term review, which recommended that the new regional programme should be beneficiary-driven and should complement national policy and programme priorities; ensure ownership and sustainability; enhance the execution capacity of IGOs, and elicit the effective commitment of programme countries.

34. The RCF will aim at wider participation of development partners, maximum leverage and targeted interventions with the greatest impact. It will also seek to establish linkages between national, regional and global issues. Furthermore, it will adopt creative strategies to ensure ownership, accountability and commitment to intercountry programmes by more effective use of the PPRR mechanism and effective cost-sharing of some projects with resources at national levels. The process envisaged for the entire programming exercise will be described below.

35. The substantive answer lies in the endorsement by the Executive Board of SHD priority areas, which are fully consistent with African priorities and in the commitments made at the United Nations global conferences as well as the United Nations System-wide Special Initiative on Africa.

36. As with the last regional programme, the main criteria for initiatives to be considered regional will be that they address: (a) issues of interest to a group of countries sharing common resources that could be better managed through cooperative efforts; (b) issues of interest to subregional groupings facing common constraints whose solution would require substantial investment; and (c) problems for which a lasting solution in one country depends on simultaneous action being taken by other countries.

37. To ensure maximum impact, four major critical entry points have been identified: (a) capacity-building for development management; (b) enhancement of governance; (c) private sector development; and (d) trade and economic integration. The regional programme will focus on areas of congruence between these interventions and the UNDP priority themes of poverty, employment, environment, and gender. Under each critical entry point, a small number of relatively large programmes, each explicitly justified in terms of expected

impact on at least one priority objective, will be developed as illustrated in the table below.

An illustrative framework for ensuring programme coherence

SHD goals Critical entry points	Poverty reduction	Employment creation	Environment protection/food security	Advancement of women
Capacity-building for development management	Enabling macroeconomic framework for poverty reduction	Capacity to design and implement employment policies and programmes		
Enhancement of governance	Strengthening capability of civil society for upstream policy dialogue		Participatory approaches to community-based management of ecological resources	Enhance women's leadership capabilities
Private sector development		Support for entrepreneurship development		Increase women's access to productive resources
Trade and economic integration	Impact assessment of trade policy on vulnerable groups	Measures to support expansion and diversification of exports	Harmonization of environmental policies	

38. The regional programme will support efforts to improve poor people's economic status and encourage their broad-based participation in social processes; the development of a policy framework for job-creation that addresses the structural, institutional and regulatory constraints that informal sector activities face; efforts to enhance food security and rational natural resources management in the region; and efforts to improve the socio-economic status of women, paying particular attention to their full integration into the mainstream of socio-economic and political decision-making.

39. As infrastructural support for all the focus areas identified below, the core programme will include the Knowledge Networks Facility to support research on cross-cutting SHD issues and facilitate policy and technical networking within the region as well as with other regions. The facility will also support efforts to increase African connectivity and, thus, nurture Internet-based specialist networks.

40. To encourage country-office leadership on some subregional or regional issues, the Country Initiative Facility will be established to support catalytic and/or innovative activities in a group of countries willing to commit some of

their own resources to the effort. The Resident Representative of the initiating country will be expected to play a strong leadership role. Authority for the management of such programmes will be delegated to that office.

B. Areas of concentration

41. Capacity-building for development management. After a decade and a half of adjustment efforts in Africa, a consensus has emerged that while competent short-term macroeconomic management is essential, sustainable development also requires a long-term policy perspective and a competent institutional basis.

42. The approach of the RCF is to develop a coherent strategic response, drawing on the lessons of past experience. The subprogramme will concentrate on four types of initiatives: (a) expanding the use of national long-term perspective studies (NLTPS) by providing policy and methodological guidance to national teams on a cost-sharing basis and fostering networking; (b) enlarging economic management policy frameworks to incorporate poverty, gender and environment concerns, working with ECA, the African Capacity-building Foundation, selected universities and regional research and policy institutions; (c) analysing socio-economic dimensions and developing regional policy responses to HIV/AIDS; and (d) strengthening the mechanisms for aid coordination by countries themselves, facilitating the integration of capacity development issues into sectoral investment programmes and improving the quality of African participation in the dialogue on debt issues.

43. Enhancement of governance. Given its complexity, governance needs to be addressed at national as well as regional and global levels. As part of its contribution to the United Nations System-wide Special Initiative on Africa, the regional programme will develop the Special Initiative on Governance in Africa. In addition to its full involvement in regional-level activities, the regional programme will play an active resource mobilization role on behalf of countries. The initiative will address five key areas of governance: (a) building leadership and strengthening decision-making at various levels of government as well as in civil society; (b) strengthening the capacity of public offices to improve their efficiency, accountability and transparency; (c) promoting a more conducive institutional and legislative environment by empowering civil society for upstream policy dialogue; (d) supporting a wide range of political transitions (e.g., electoral and legislative reforms) to foster participatory democracy; and (e) supporting regional (e.g., OAU) and national efforts to address conflict prevention, resolution and peace.

44. Private sector development. Over the past 10 years, UNDP support for private sector development has grown in importance. Learning from this experience, the regional programme will focus primarily on: strengthening the institutional fabric for a more efficient regulation to enhance the access of private sector actors, especially small-scale entrepreneurs, to critical inputs; supporting selective downstream innovative interventions; and promoting the flow of foreign direct investment as well as the access of local investors to international capital markets. Subprogrammes will concentrate on: (a) creating an enabling environment for local and foreign investments with special emphasis on promoting women entrepreneurs; (b) promoting African entrepreneurship and

management through training, technical cooperation and financial advice; and (c) supporting small and medium-scale enterprises by providing linkages to large enterprises and developing methodologies for greater access to credits.

45. Trade and economic integration. In the area of trade, the agreements reached at the Uruguay Round should increase global investment, trade, employment and income resulting from the reduction in tariff and non-tariff barriers, as well as the new rules for services and investment. Greater transparency in the handling of trade disputes in both developed and developing countries will create an enabling environment for business. However, these gains may not be distributed evenly among countries. Against this background, three main areas are: (a) developing common approaches to improving the competitiveness of African products, paying particular attention to the factor costs of production (e.g., labour, trade finance, standards, and transport); (b) assisting Governments in achieving greater coherence between the commitments of individual countries to the Uruguay Round agreements on the one hand, and the short- to medium-term economic stabilization and long-term structural adjustment measures adopted on the recommendation of the World Bank and the IMF on the other hand; and (c) providing technical cooperation to help countries to adjust to new trade rules and press for changes in areas of particular interest to them in the ongoing post-Uruguay Round negotiations.

46. Past experience suggests that more effective strategies are required to raise the impact of UNDP interventions in the area of economic integration. Given limited resources, the new programme will selectively focus on: (a) facilitating cooperation on such issues as lowering tariff and non-tariff barriers, and other forms of restrictions, customs valuations, pre-shipment inspection, sanitary measures, interbank settlement transactions, trade information-sharing, migratory labour, and transport and telecommunications; and (b) supporting selected regional cooperation arrangements through training on cross-cutting issues (e.g., interest/foreign exchange rates, product and export diversification, trade finance, trade statistics, competitiveness and foreign direct investment).

C. Expected results and impact

47. At the end of five years, the impact of the programme will be seen in enhanced, broad-based policy dialogue among various stakeholders within the region and between regional entities and external partners. On such issues as human development and macroeconomic policy, trade, regional cooperation and governance, significant progress will have been made towards consensus on appropriate priorities and approaches. It is expected that the capacity to articulate and choose among SHD options will have been considerably strengthened in the region; the effective participation of major stakeholders in socio-economic processes will have been significantly improved under regimes of better State accountability; there will be much better harmonization among IGOs on trade and regional cooperation policies; and the institutional and policy framework for private sector development will have been considerably improved.

IV. MANAGEMENT ARRANGEMENTS

48. The programme will strive to: (a) ensure that decision-making is located where it is most effective; (b) encourage effective buy-in by countries and country offices; (c) create opportunities for effective participation by all stakeholders; (d) encourage national execution/implementation by national and regional institutions; (v) promote knowledge networking among institutions within the region and collaboration with other regions.

49. The programme will be managed under the overall guidance of the Director of the Regional Bureau for Africa (RBA). The management arrangements will reflect a more substantive involvement of the Policy and Regional Programme Division (PRPD). The management of each programme module will have a clear and explicit strategy to which all actors will subscribe. The module will also provide a basis for resource mobilization from other donors and facilitate greater linkages with their activities.

50. In pursuit of decentralized decision-making, PPRRs will be designated for the management of some regional programmes. If necessary, PPRRs will be supported with required technical resources to ensure that they are not constrained by country office budget considerations. The authority to be delegated to the PPRRs will be clearly specified at the formulation stage of each programme and a close communication will be established between the PPRRs and PRPD/RBA.

A. Execution and implementation arrangements

51. The programme will encourage a more flexible and participatory approach to the implementation of individual programmes. While it will continue to rely on the technical and administrative expertise of its traditional development partners, it will also encourage the creation of opportunities for new partners (e.g., the region's non-governmental organizations, private consulting firms, universities and other research institutes) to participate more fully than in the past. Among traditional partners, ECA will play an active role not only in implementing specific projects but also in providing technical support in areas where it has a comparative advantage. Each partner's capacity will be carefully examined on the basis of its comparative advantage and the RCF will identify and develop a core group of national and regional institutions and enhance their capacity to implement programmes.

B. Monitoring, review and reporting

52. Each core programme area will establish specific targets, appropriate benchmarks and indicators for the assessment of progress and measurement of impact at the design stage. PRPD is working actively with the Office of Evaluation and Strategic Planning to develop a comprehensive monitoring and evaluating system for the regional programme.

53. Individual programmes are subject to annual tripartite reviews. Executing agencies will also submit progress reports twice a year to the PPRRs and PRPD.

Furthermore, programmes over $1 million are subject to a mid-term evaluation. To ensure good financial management in line with the rolling three-year financial framework, the RBA Programme Funds Control Unit will periodically communicate the budget status to each executing agency, the PPRR and PRPD. In accordance with UNDP rules and procedures, there will be a mid-term review in 1998 and a triennial report in 1999.

C. Resource mobilization

54. The participatory approach will be essential for resource mobilization. It will allow a wider involvement of beneficiaries as well as development partners in programme design and implementation. This process will enhance a sense of ownership and commitment and thus encourage cost-sharing on programmes by beneficiaries and donors. By so doing, it is hoped that from the beginning there will be financial sponsorship and clear commitment to the programme.

55. Funding from United Nations- and UNDP-administered resources such as the Global Environment Facility, the Montreal Protocol and Capacity 21 will also be utilized. In addition, RBA will organize round-table meetings on specific thematic issues. Moreover, RBA will continue to identify new potential donors, including regional institutions and business and financial enterprises. The total estimated budget is $293 million, details of which are shown in the annex.

Annex

RESOURCE MOBILIZATION TARGET TABLE FOR AFRICA, 1997-2001

(In thousands of United States dollars)

Source	Amount	Comments
UNDP CORE FUNDS		
Estimated IPF carry-over	500	
Line 1.2	151 500	
SPPD/STS	8 050	
Subtotal	160 050	
NON-CORE FUNDS		
Government cost-sharing	6 000	
Sustainable development funds	20 300	GEF
Third-party cost-sharing	40 000	
Funds, trust funds and other	67 000	
Subtotal	133 300	
Total	293 350	

Abbreviations: GEF = Global Environment Facility; IPF = indicative planning figure; SPPD = support for policy and programme development; and STS = support for technical services.